

California Fair Political Practices Commission

September 11, 1989

Isabel Sewell 1049 Noel Dr. #1 Menlo Park, CA 94025

Re: Your Request for Informal Assistance
Our File No. I-89-449

Dear Ms. Sewell:

You have requested advice concerning the campaign provisions of the Political Reform Act of 1974. Your questions are of a general nature; therefore, we consider your request to be for informal assistance pursuant to Regulation 18329(c) (copy enclosed). 2

QUESTION

May a non-profit organization pay for material, such as brochures, to support a bond measure without organizing a committee?

CONCLUSION

If your organization receives \$1,000 in contributions during a calendar year for political purposes, including supporting the passage of a ballot measure, it must file and report as a committee. In addition, if your organization makes independent expenditures totaling \$1,000 during a calendar year to support or oppose candidates or ballot measures, or makes contributions totaling \$10,000 in a calendar year to support or oppose candidates or ballot measures, your organization will have reporting obligations.

To determine to what extent a non-profit organization may engage in political practices while maintaining its tax status, please contact the IRS at 800/424-1040.

Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Section 83114; Regulation 18329(c)(3).)

Isabel Sewell Page Two

<u>FACTS</u>

Friends of the Library ("Friends") exists to enhance library functions. Friends would like to support a local bond measure by paying for a brochure and its mailing. Friends is a non-profit organization.

<u>ANALYSIS</u>

The Political Reform Act places certain reporting obligations on committees. Section 82013 defines a committee as any person or combination of persons who: (a) receives contributions totaling \$1,000 or more in a calendar year, (b) makes independent expenditures totaling \$1,000 or more in a calendar year; or (c) makes contributions totaling \$10,000 or more in a calendar year to or at the behest of candidates or committees.

Section 82015 defines a "contribution" as:

...a payment, a forgiveness of a loan, a payment of a loan by a third party, or an enforceable promise to make a payment except to the extent that full and adequate consideration is received unless it is clear from the surrounding circumstances that it is not made for political purposes.

Attempting to influence the action of the voters for passage of a ballot measure is included in the definition of a "political purpose." (Regulation 18215.)

Section 82031 defines an "independent expenditure" as:

...an expenditure made by any person in connection with a communication which expressly advocates the election or defeat of a clearly identified candidate or the qualification, passage or defeat of a clearly identified measure, or taken as a whole and in context, unambiguously urges a particular result in an election <u>but which is not made to or at the behest of the affected candidate or committee</u>. (Emphasis added.)

A payment is "made at the behest" of a candidate or committee if the payment is made under the control or at the direction of, in cooperation, consultation, coordination, or concert with, or at the request or suggestion of a candidate or committee.

(Regulation 18215(b).)

Therefore, if the organization receives contributions totaling \$1,000 or more to publish the brochure, it will qualify as a "committee" under Section 82013(a). If the organization uses funds which are not contributions to the organization to publish the brochure, it may qualify as a "committee" under Section 82013(b) or (c). Enclosed is a copy of the 1989 "Information Manual on Campaign Disclosure Provisions of the Political Reform Act" which explains the Act's disclosure requirements.

Isabel Sewell Page Three

If you have any additional questions, please contact me at (916) 322-5662.

Sincerely,

Kathryn E. Donovan General Connsel

 $\mathcal{X} \mathcal{D}$

By: Kevin S. Braaten-Moen

Political Reform Consultant

Enclosure

Fair Political Practises Committee 428 J St Sacto CA 95814

FPPC Jul 26 2 HWR/1289 1989

Dear Sir/Madam:

I would like to have a copy of your information manual about non-profits supporting a campaign for a city bond measure. I am not sure if this would require a financial statement from the non profit, and under what conditions we could pay for a brochure to be mailed to citizens, without having to actually organize a campaign. The organization supplying the money would be the Friends of the Library, whose sole purpose is to enhance library functions. My qurestion is Can we pay for material to gain support for the bond measure without organizing a separate campaign?

Thanks for your help,

Isabel Sewell
1049 Noel Dr # 1

Menlo Park CA 94025

Fair Political Practises Committee 428 J St Sacto CA 95814

FPPC
Jul 26 2 42/8/12/9/1989

Dear Sir/Madam:

I would like to have a copy of your information manual about non-profits supporting a campaign for a city bond measure. I am not sure if this would require a financial statement from the non profit, and under what conditions we could pay for a brochure to be mailed to citizens, without having to actually organize a campaign. The organization supplying the money would be the Friends of the Library, whose sole purpose is to enhance library functions. My qurestion is Can we pay for material to gain support for the bond measure without organizing a separate campaign?

Thanks for your help,

Isabel Sewell
1049 Noel Dr # 1
Menlo Park CA 94025



California Fair Political Practices Commission

July 28, 1989

Isabel Sewell 1049 Noel Drive, #1 Menlo Park, CA 94025

Re: Letter No. 89-449

Dear Ms. Sewell:

Your letter requesting advice under the Political Reform Act was received on July 27, 1989 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact me directly at (916) 322-5662.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to the information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

Jeanne Pritchard

Chief Technical Assistance and Analysis Division

JP:plh